

Republic of the Philippines  
Province of Bulacan  
Municipality of Marilao

**OFFICE OF THE SECRETARY TO THE SANGGUNIANG BAYAN**

**EXCERPTS FROM THE MINUTES OF THE 110<sup>TH</sup> REGULAR SESSION OF THE 8<sup>TH</sup> SANGGUNIANG BAYAN OF MARILAO, PROVINCE OF BULACAN, HELD AT THE SESSION HALL OF THE MUNICIPAL BUILDING ON SEPTEMBER 21, 2015**

**PRESENT:**

Hon. Andre Favian D. Santos	- - - - - Municipal Vice Mayor Presiding Officer
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**COUNCILORS**

Hon. Wilfredo D. Diaz	- - - - - Majority Floor Leader
Hon. Jun Bob J. Dela Cruz	- - - - - Minority Floor Leader

Hon. Divina E. Reyes	Hon. Allane T. Sayo
Hon. Irma G. Celones	Hon. Arnold T. Papa
Hon. Marlon O. Villamar	Hon. Mark Joseph L. Guillermo
Hon. Kristoffer M. Nieto(Ex-Officio, Liga)	

**MUNICIPAL ORDINANCE NO. 789**

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Introduced by Councilors Mark Joseph L. Guillermo, Allane T. Sayo and Irma G. Celones and unanimously seconded by all Members of the Sangguniang Bayan present.

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**AN ORDINANCE**

**PRESCRIBING THE STANDARD PAYMENTS AND REGULATORY REQUIREMENTS FOR ISSUANCE OF BUSINESS PERMITS TO ALL DULY REGISTERED AND LEGITIMATE PRIMARY COOPERATIVES, COOPERATIVE BRANCHES AND COOPERATIVE SATELLITE OFFICES OPERATING WITHIN THE MUNICIPALITY OF MARILAO, PROVINCE OF BULACAN.**

**WHEREAS**, this Sangguniang Bayan previously passed Resolution No. 2007-86 authorizing the adoption of the Standardized Business Permit Application Procedure for Marilao Primary Cooperatives based on the request of MCDC of Marilao;

**WHEREAS**, the Municipal Cooperative Development Council (MCDC) of Marilao has requested this Sangguniang Bayan through MCDC Resolution No. 2015-01 to enact an ordinance to set the standard requirements and regulatory fees for all duly registered and legitimate primary cooperatives and cooperative branches operating within the Municipality of Marilao, Province of Bulacan;

**WHEREAS**, MCDC of Marilao adheres to the state policy on cooperative development as an instrument of equity, social justice and economic development; that cooperatives are recognized as autonomous associations organized for self-reliance and self-management;

**WHEREAS**, the Municipal Cooperative Development Office carries out measures to ensure the delivery of basic services and provision of facilities through the development of cooperatives and in providing access to such services and facilities;



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**WHEREAS**, the Cooperative Development Authority and the Bureau of Internal Revenue (BIR) require registered cooperatives to obtain Mayor's Permit and/or Business Permit from the local government;

**WHEREAS**, there is a need to determine the Standard Payments and Regulatory Requirements for Duly Registered Primary Cooperatives, Cooperative Satellite Offices and Cooperative Branches to conform with existing laws and issuances;

**WHEREAS**, Article 4 (6) (Cooperation Among Cooperatives) of R.A. 9520, otherwise known as the Philippine Cooperative Code of 2008, states that cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures;

**WHEREAS**, Article 60 of RA 9520 provides that duly registered cooperatives under said Code which do not transact any business with non-members or the general public shall not be subject to any taxes and fees imposed under the internal revenue laws and other tax laws;

**WHEREAS**, Article 61 (1) of the same Code also provides that cooperatives with accumulated reserves and undivided net savings of not more than Ten Million Pesos (₱10,000,000.00) shall be exempt from all national, city, provincial, municipal or barangay taxes of whatever name and nature;

**WHEREAS**, Section 133, paragraph (n) of the Local Government Code of 1991 provides that local government units cannot impose taxes, fees or charges to cooperatives duly registered under R.A. 6938, otherwise known as the "Cooperative Code of the Philippines";

**WHEREAS**, the Bureau of Local Government Finance of the Department of Finance, in its BLGF Memorandum Circular No. 31-2009 dated October 7, 2009, as reiterated in Department of the Interior and Local Government (DILG) Memorandum Circular No. 2010-120 dated October 20, 2010, prescribes that all cooperatives transacting business with both members and non-members are still required to:

- a) Obtain or secure a Mayor's Permit and pay the commensurate cost of regulation, inspection and surveillance of the operation of its business in amount not exceeding One Thousand Pesos (₱1,000.00);
- b) Secure a Community Tax Certificate as a juridical entity and pay the basic tax of Five Hundred Pesos (₱500.00); and
- c) Pay service charges or rentals for the use of property and equipment or public utilities owned by the local government such as charges for actual water consumption, electric power, toll fees for the use of public roads and bridges, and the like.

**WHEREAS**, it is the legislative duty of the Sangguniang Bayan to enact ordinances for the general welfare of the Municipality and its inhabitants pursuant to the general welfare clause of the Local Government Code of 1991;



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NOW, THEREFORE, be it ordained by the Sangguniang Bayan, that:

**Section 1. Definition of Terms.**

- 1.1 Cooperative – aduly registered association of persons, with a common bond of interest, who have voluntarily joined together to achieve a lawful, common, social, or economic end, making equitable contributions to the capital required and accepting a fair share of the risks and benefits of the undertaking in accordance with the universally accepted cooperative principles.
- 1.2 Legitimate Cooperatives – those cooperatives that are duly registered with the Cooperative Development Authority (CDA).
- 1.3 Taxes, Fees and any Dues – all revenue-raising measures and other financial burdens imposed by the Municipal Government under its tax ordinances;
- 1.4 Mayor’s Permit/Business Permit – a permit to operate a business or activity issued by the Business Permit and Licensing Office of the Local Government Unit;
- 1.5 Cooperative Categorization – categories of cooperatives set by the Cooperative Development Authority based on their assets, as follows:
  - 1.5.1 Micro Cooperative – Cooperative whose assets are up to Three Million Pesos (₱3,000,000.00);
  - 1.5.2 Small Cooperative – Cooperative whose assets are from Three Million and One Pesos (₱3,000,001.00) to Fifteen Million Pesos (₱15,000,000.00);
  - 1.5.3 Medium Cooperative – Cooperative whose assets are from Fifteen Million and One Pesos (₱15,000,001.00) to One Hundred Million Pesos (₱100,000,000.00);
  - 1.5.4 Large Cooperative – Cooperative whose assets are more than One Hundred Million Pesos (₱100,000,000.00);
- 1.6 Cooperative Assets – the assets of the cooperatives which are based upon the financial statement of the cooperatives of the previous calendar year;
- 1.7 Other Business of the Cooperative – other Business/es of the multi-purpose cooperative other than its primary business.
- 1.8 Branch- a business office outside the principal office with full cooperative activities and business operation.
- 1.9 Principal Office – the registered cooperative main office as indicated in the cooperative articles of cooperation.
- 1.10 Satellite Office – an office within the area of operation that provides limited service/business addressing the needs of members and complementing the activities of the principal office.



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- 1.11 Area of Operation –the area where the cooperative members come from as provided for in their Articles of Cooperation and By-laws.
- 1.12 Certificate of Authority – a document issued by the Cooperative Development Authority (CDA) authorizing the operation of a cooperative branch.
- 1.13 Letter of Authority –a document issued by the CDA to the cooperative allowing the establishment of a satellite office.

**Section 2.Coverage.**–This Ordinance shall cover all legitimate cooperatives operating within the Municipality of Marilao, Province of Bulacan.

**Section 3.Payment and Exemption from Fees.-**

- 3.1 Legitimate cooperatives which do not transact any business with non-members or the general public shall not be subject to any local taxes and fees.
- 3.2 Legitimate cooperatives transacting business with both members and non-members shall be required to:
  - 3.2.1 Obtain or secure a Mayor's Permit and pay the following commensurate cost of regulation, inspection and surveillance of the operation of its business in accordance with their cooperative categorization:

<b>Cooperative Category</b>	<b>Filing Fee</b>
Micro Cooperative	Three Hundred Pesos (₱300.00)
Small Cooperative	Five Hundred Pesos (₱500.00)
Medium Cooperative	Eight Hundred Pesos (₱800.00)
Large Cooperative	One Thousand Pesos (₱1,000.00)

- 3.2.2 Secure Community Tax Certificate as juridical entity and pay the basic tax of Five Hundred Pesos (₱500.00); and
- 3.2.3 If applicable, pay service charges or rentals for the use of property and equipment or public utilities owned by the Municipal Government such as charges for actual water consumption, electric power, toll fees for the use of public roads and bridges, and the like.

**Section 4.Additional Payment for Business Plate.**– Allnewly registered cooperatives, in addition to the payment of fees mentioned above, shall also pay for the actual cost of the business plate that will be issued to them;

**Section 5. Requirements** – Inorder to verify the legitimacy of the registration of cooperatives, before paying for a mayor’s and/or business permit from the Municipal Business Permits and Licensing Office, they must secure a Certification from the Marilao Municipal Cooperative Development Office that the same is a duly registered Cooperative in Municipality of Marilao, Province of Bulacan. The following are requirements for the issuance of thesaid certification:

The bottom of the page contains three handwritten signatures or initials. From left to right: a circular scribble, the word 'Sent' written in cursive, and a long horizontal signature with a large flourish.

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**5.A. Newly Registered Primary Cooperatives**

- 5.A.1 Photocopy of CDA Certificate of Registration
- 5.A.2 Photocopy of Articles of Cooperation
- 5.A.3 Photocopy of By-Laws
- 5.A.4 Barangay Clearance
- 5.A.5 Photocopy of Community Tax Certificate

**5.B. Existing/Renewal of Registered Primary Cooperatives**

- 5.B.1 Photocopy of CDA Certificate of Registration
- 5.B.2 Barangay Clearance
- 5.B.3 Photocopy of Community Tax Certificate
- 5.B.4 Photocopy of Latest CDA Certificate of Good Standing/Certificate of Compliance
- 5.B.5 Photocopy of Cooperative Annual Report Progress Report Information System (CAPRIS)
- 5.B.6 Photocopy of Financial Statement for Previous Year

**5.C. Newly Registered Cooperative Satellite Office**

- 5.C.1 Photocopy of CDA Certificate of Registration
- 5.C.2 Photocopy of Articles of Cooperation
- 5.C.3 Photocopy of By-Laws
- 5.C.4 Barangay Clearance
- 5.C.5 Photocopy of Community Tax Certificate
- 5.C.6 Photocopy of the Letter of Authority from the CDA indicating the approval of the establishment said satellite office
- 5.C.7 Photocopy of the Memorandum of Understanding with the Marilao Municipal Cooperative Development Council on the sharing of technical expertise, complementation and other related resources

**5.D. Newly Registered Cooperative Branch Office**

- 5.D.1 Photocopy of CDA Certificate of Registration
- 5.D.2 Photocopy of Articles of Cooperation
- 5.D.3 Photocopy of By-Laws
- 5.D.4 Barangay Clearance
- 5.D.5 Photocopy of Community Tax Certificate
- 5.D.6 Photocopy of the Certificate of Authority from the CDA authorizing the operation of a cooperative branch.
- 5.D.7 Photocopy of the Memorandum of Understanding (MOU) with the Marilao Municipal Cooperative Development Council on the sharing of technical expertise, complementation and other related resources



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5.E. Existing/Renewal of Registered Cooperative Branch/Satellite Office

- 5.E.1 Photocopy of CDA Registration Certificate
- 5.E.2 Barangay Clearance
- 5.E.3 Photocopy of Community Tax Certificate
- 5.E.4 Photocopy of Latest CDA Certificate of Good Standing/Certificate of Compliance
- 5.E.5 Photocopy of Cooperative Annual + Report Progress Report Information System (CAPRIS)
- 5.E.6 Photocopy of Financial Statement for Previous Year

**Section 6. Time of Payment** – Payment for renewal shall be paid on or before the twentieth (20th) day of January of the current year.

**Section 7. Surcharge For Late Payment.**– Failure to pay the Mayor’s/Business Permit within the time as prescribed in Section 6 hereof shall subject the cooperative to surcharge of twenty five percent (25%) of the categorized amount prescribed in Section 3.

**Section 8. Exemption.** –As provided in Article 61 of R.A. 9520, the exemption in this Ordinance shall not apply to legitimate cooperatives transacting business with both members and non-members which have more than Ten Million Pesos (₱10,000,000.) in accumulated reserves and undivided net savings.

**Section 9. Revocation of Permit.**– When a cooperative doing business in the Municipality violates any provision of the Revenue Code; abuses its privilege to do business to the injury of public morals or peace; or when a place where such business is established is being conducted in a disorderly or unlawful manner, is a nuisance, or is permitted to be used as a resort for disorderly conduct, the Municipal Mayor, after investigation, may revoke the permit. Such revocation shall forfeit all sums which may have been paid in respect of the said privilege, in addition to the fines and imprisonment that may be imposed by the court for violation of any provision of the Municipal Revenue Code or any ordinance governing the establishment and maintenance of businesses, and prohibit the exercise thereof by the cooperative whose privilege is revoked, until resolved by the Sangguniang Bayan. In prohibiting the establishment and maintenance of business based on the grounds enumerated in this section, the Municipal Mayor shall order the closure thereof after due investigation and giving the duly authorized officers of the cooperative the opportunity to be heard.

**Section 10. Amendment.**–Any amendment which extends or further increases the benefits, rights, and privileges by the cooperatives involved in this Ordinance shall take effect only upon approval by the Sangguniang Bayan of Marilao.

**Section 11. Repealing Clause.**– All ordinances and other issuances inconsistent herewith are hereby repealed or modified accordingly.

**Section 12. Separability Clause.**– If any provision of this Ordinance is subsequently declared unconstitutional or invalid, the validity of the remaining provisions hereof shall remain in full force and effect;

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**Section 13. Effectivity Clause.**— This Ordinance shall take effect after ten (10) days of its posting in a bulletin board at the entrance of the Municipal Hall and in at least two (2) other conspicuous places in the Municipality of Marilao and after its publication for three (3) consecutive days in a newspaper of local circulation, whichever comes later.

**ENACTED,**September 21, 2015.

**PRESIDED:**



**ANDRE FAVIAN D. SANTOS**  
Municipal Vice Mayor  
Presiding Officer

**ATTESTED:**



**EDGAR P. RAMIREZ**  
Secretary to the Sangguniang Bayan

**APPROVED:** OCT 16, 2015  
Date



**JUANITO H. SANTIAGO**  
Municipal Mayor



**CERTIFICATION**

This is to certify that this municipal ordinance was approved on third and final reading on September 21, 2015.



**EDGAR P. RAMIREZ**  
Secretary to the Sangguniang Bayan